HB ESTATE DEVELOPERS LIMITED

Regd. Office: Plot No. 31, Echelon Institutional Area, Sector - 32, Gurgaon - 122001, Haryana
Tel: +0124-4675500 Fax +0124-4370985 : www.hbestate.com

NOTICE TO MEMBERS PURSUANT TO SECTION 192A (2) OF THE COMPANIES ACT, 1956

Dear Shareholder(s),

Notice is hereby given, pursuant to the Order Dated 24/01/2014 passed in Company Petition No. 1 of 2014 by the Hon'ble High Court of Punjab and Haryana at Chandigarh and Section 192A(2) of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, that:

The approval of Public Shareholders (i.e. Shareholders other than those forming part of Promoter and Promoter Group) of the Company is sought to the Scheme of Amalgamation of M/s Pisces Portfolios Private Limited with M/s HB Estate Developers Limited by passing an Ordinary Resolution by way of Postal Ballot and/or E-voting.

PROPOSED RESOLUTION:-

Item No. 1

Approval to the Scheme of Amalgamation by Public Shareholders

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Scheme of Amalgamation of M/s Pisces Portfolios Private Limited with M/s HB Estate Developers Limited ('the Scheme or 'this Scheme) pursuant to Section 391 to 394 and other applicable provisions of the Companies Act, 1956, be and is hereby approved subject to the approval of the Hon'ble High Court of Punjab and Haryana at Chandigarh.

RESOVED FURTHER THAT the Board of Directors (which includes any Committee thereof) of the Company, be and is hereby authorized to do all such acts, deeds, matters and things as are considered requisite or necessary to implement the Scheme of Amalgamation and to accept such modification and / or conditions, if any, which may be required and/or imposed by the Hon'ble High Court of Punjab and Haryana at Chandigarh and/or any other authority, while sanctioning the Scheme of Amalgamation."

By Order of the Board
For HB Estate Developers Limited

Sd/-
Anil Goyal
Director

Place : Gurgaon
Date : 11.02.2014

Notes:

1. The Explanatory Statement and reasons for the proposed ordinary resolution pursuant to Section 102 of the Companies Act, 2013 setting out material facts are appended to the Notice.
2. The Company has appointed FCS Nityanand Singh, Practicing Company Secretary, to act as the Scrutinizer, for conducting the postal ballot process, in a fair and transparent manner.
3. The Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners, as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) as on **Friday, February 21, 2014.**
4. In compliance with provisions of Section 192A of the Act read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 and Securities and Exchange Board of India (SEBI) Circular No. CIR/CFD/

DIL/5/2013 dated February 4, 2013 revised by Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, the Company is pleased to offer e-voting facility as an alternate, to all the Shareholders of the Company. For this purpose, the Company has entered into an agreement with NSDL for facilitating e-voting to enable the Shareholders to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional.

The instructions for Shareholders for e-voting are as under:

(A) In case of Shareholders' receiving e-mail from NSDL:

(i) Open e-mail and open PDF file viz; "HBED_e-Voting.pdf "with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.

(ii) Launch internet browser by typing the following URL: **https://www.evoting.nsdl.com/**

(iii) Click on Shareholder - Login.

(iv) Insert user ID and password as initial password noted in step (i) above. Click Login.

(v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of e-Voting opens. Click on e-Voting: Active Evoting Cycles.

(vii) Select "EVEN " of HB Estate Developers Limited.

(viii) Now you are ready for e-Voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) For the votes to be considered valid, the institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at officenns@gmail.com with a copy marked to evoting@nsdl.co.in.

(B) In case of Shareholders' receiving Postal Ballot Form by Post:

(i) Initial password is provided in the Ballot Paper Form. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) mentioned in (A) above, to cast vote.

(C) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of **www.evoting.nsdl.com.**

(D) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.

(E) The date of commencement of e- voting is 8th March, 2014 and the last date for e-voting is 7th April, 2014. The e-voting module will be disabled by NSDL for voting thereafter.

5. Kindly note that the Shareholders can opt only one mode of voting, i.e., either by Physical Ballot or e-voting. If shareholders are opting for e-voting, then do not vote by Physical Ballot and vice versa. However, in case Shareholders cast their vote by Physical Ballot and e-voting both, then voting done through valid Physical Ballot shall prevail and voting done by e-voting will be treated as invalid.

6. Shareholders desiring to exercise vote by physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed in the enclosed self addressed business reply envelope to the Scrutinizer so as to reach the Scrutinizer on or before the close of working hours on, April 7, 2014. The postage cost will be borne by the Company. However, envelopes containing Postal Ballot Form(s), if deposited in person or sent by courier or registered/ speed post at the expense of the shareholder will also be accepted.

7. The Scrutinizer will submit his report to Non-Executive Chairman of the Company or in his absence to any Director of the Company after completion of the scrutiny. The result of the Postal Ballot shall be announced by the Non-Executive Chairman of the Company or in his absence by any other Director of the Company on Friday, 11th April, 2014 at 11.30 a.m. at the Registered Office of the Company at Plot No-31, Echelon Institutional Area, Sector-32, Gurgaon-122001, Haryana and the resolution will be taken as passed effectively on the date of announcement of the result. The result of the Postal Ballot shall also be announced through a newspaper advertisement and posted on the website of the Company at www.hbestate.com besides communicating to the Stock Exchange where the Company's shares are listed.

8. The scrutinizer's decision on the validity of the postal ballot shall be final.

9. The Board of Directors has appointed Mr. Anil Goyal, Director and Ms. Arpita B Malhotra, Company Secretary of the company as the person responsible for the entire postal ballot process.

10. The Resolution, if assented by requisite majority, shall be considered as passed on 11th day of April, 2014 (i.e. the date of declaration of the Postal Ballot Result).

EXPLANTORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1

Pursuant to the Order passed by Hon'ble High Court of Punjab and Haryana at Chandigarh on 24/01/2014, in the Company Petition No. 1 of 2014, a Meeting of the Equity Shareholders of the Company is scheduled to be held on Saturday, 12th April, 2014 at 11.00 A.M. at GIA House, IDC, Mehrauli Road, Opp. Sector - 14, Gurgaon - 122001. (Haryana) to obtain their approval to the Scheme of Amalgamation of M/s Pisces Portfolios Private Limited with M/s HB Estate Developers Limited, pursuant to Sections 391 to 394 and other applicable provisions of the Companies Act, 1956.

Additionally, in terms of Clause 5.16 of Securities and Exchange Board of India (SEBI) Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 revised by Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, the said Scheme of Amalgamation shall also be subject to the approval of the public shareholders (i.e. shareholders other than those forming part of Promoter and Promoter Group) by passing an Ordinary Resolution through Postal Ballot and E-Voting. This resolution shall be deemed to be passed or acted upon only if the votes cast by the Public Shareholders in favour of the resolution are more than the numbers of vote cast by the Public Shareholders against the resolution.

Pursuant to the Bombay Stock Exchange Letter No. DCS/AMAL/BS/24(f)/294/2013-14 dated 22/10/2013 read with Circular No. CIR/CFD/DIL/5/2013 Dated 4/2/2013 and CIR/CFD/DIL/8/2013 Dated 21/05/2013, the Scheme of Amalgamation was amended and following Clauses has been inserted:

6.3.1(d) the Scheme being approved by special resolution through postal ballot and/or e-voting by the public members of the Transferee Company;

6.3.1(e) the Scheme being approved by number of votes cast in favour of the proposal by the public members of the Transferee Company are more than the number of votes cast against the proposal by the public members of the Transferee Company.

Further, the Board of Directors of the Transferor Company has approved the said amended Scheme of Amalgamation on 26/10/2013. Similarly, the Business Restructuring Committee and Board of Directors of the Transferee Company have approved the said amended Scheme on 29/10/2013 and 12/11/2013 respectively.

Clause 6.3.1 (d) of the Scheme, provides that the Scheme should be approved by special resolution through postal ballot and/or e-voting by the public members of the Transferee Company.

Further Clause 6.3.1(e) of the Scheme, provides that the Scheme being approved by number of votes cast in favour of the proposal by the public members of the Transferee Company are more than the number of votes cast against the proposal by the public members of the Transferee Company.

However, in terms of Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 issued by the Securities Exchange Board of India in continuation to the previous Circular No. CIR/CFD/DIL/5/2013 Dated 04/02/2013, clarified that the Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.

Therefore, in terms of the said circular dated 21.05.2013, ordinary resolution (number of votes cast in favor are more than the number of votes cast by the public shareholders against it) will be sufficient to approve the said Scheme of Amalgamation by the Equity Shareholders of Transferee Company through Postal Ballot and/or e-voting.

In compliance with the said SEBI circular(s) mentioned above, the approval of Public Shareholders is sought to the said Scheme of Amalgamation by this Postal Ballot, in addition to physical meeting of all the shareholders to be held on 12th April, 2014 as per directions of Hon'ble High Court of Punjab and Haryana at Chandigarh. The Notice of the Court Convened Meeting with the documents accompanying the same being Explanatory Statement under section 393 of the Companies Act, 1956, Copy of the Scheme of Amalgamation, Complaints Report submitted by the Company to the Stock Exchange, Observation Letter issued by the Stock Exchange and Proxy Form are attached herewith. The said statement under Section 393 of the Companies Act, 1956 sets out the material facts relating to the proposal for approval of the said Scheme. The same is annexed hereto as aforesaid and may be treated as the Explanatory Statement under section 102 of the Companies Act, 2013 to this item of the Notice of Postal Ballot.

The documents mentioned in the Notice of Court Convened meeting will be open for inspection at the Registered Office of the Company on any working day except Sundays and Public Holidays (between 10.00 a.m. - 5.00 p.m.) prior to date of the close of voting.

Your Board recommends the resolution for the approval of Public Shareholders by passing an Ordinary Resolution pursuant to SEBI Circular (s) mentioned hereinabove.

None of the Directors or Key Managerial Personnel of the Company and their relatives, are interested or concerned in this Ordinary Resolution.

By Order of the Board
For HB Estate Developers Limited

Sd/-
Anil Goyal
Director

Place : Gurgaon
Date : 11.02.2014

Encl: -
1. Postal ballot Form
2. Self- Addressed Postage Pre-Paid Envelope
3. Notice of Court Convened Meeting of Shareholders along with annexures there to.